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**Federal Communications Commission**  
Washington, D.C. 20554

MAY 24 2004

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of

NeuStar, Inc. Request to Allow Certain  
Transactions Without Prior Commission  
Approval and to Transfer Ownership

CC Docket No. 92-237  
DA 04-1041

**REPLY COMMENTS OF COX COMMUNICATIONS, INC.**

Cox Communications, Inc. ("Cox"), by its attorneys, hereby submits its reply comments in the above-referenced proceeding.<sup>1</sup> As described below, the North American Numbering Council's ("NANC") recommendations echo Cox's initial comments and, consequently, support the actions Cox proposed. For that reason and as described in Cox's comments, the Commission should adopt neutrality requirements consistent with Cox's comments and should not approve NeuStar's proposed initial public offering ("IPO") at this time.

**I. Neutrality Requirements**

As Cox explained in its comments, it does not oppose granting NeuStar additional flexibility. The Commission must, however, balance NeuStar's interests against the compelling necessity of neutrality.<sup>2</sup> Maintaining this balance requires some changes to NeuStar's proposals.<sup>3</sup> The Commission also must acknowledge that changes in the neutrality rules have no impact on NeuStar's independent neutrality obligations under contracts or state law.<sup>4</sup>

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<sup>1</sup> Public Notice, "NeuStar, Inc. Request to Allow Certain Transactions Without Prior Commission Approval and to Transfer Ownership CC Docket No. 92-237 DA 04-1041 (rel. Apr. 22, 2004 (the "Public Notice"). The Public Notice seeks comment on a series of proposals made by NeuStar in an April 14, 2004 letter to the Commission (the "NeuStar Request" or the "Request")

<sup>2</sup> Cox Comments at 2-3

<sup>3</sup> *Id.* at 3-11

<sup>4</sup> *Id.* at 9-10

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When the NANC analyzed the NeuStar proposal at its May meeting, it reached nearly identical conclusions. The NANC report contains a series of recommendations that closely parallel those in the Cox comments. In particular, the NANC says that the NeuStar request – except as to the IPO – should be approved, but only if certain conditions are met. Those conditions include ensuring that Warburg’s equity interests in NeuStar are not increased; clarification of the limits on ownership interests under the Commission’s rules; maintaining provisions in NeuStar’s governing documents, including its bylaws, that require compliance with neutrality; and requiring NeuStar to submit any SEC reports to the Commission within one business day of filing (or, in the case of SEC reports filed by NeuStar shareholders, within one business day of receipt).<sup>5</sup> The NANC report also confirmed that it was appropriate to permit NeuStar to have ownership changes, so long as the changes “dilute or do not increase the rights of any entity affiliated with a TSP.”<sup>6</sup>

Each of these recommendations is consistent with Cox initial comments. Moreover, the NANC’s reasoning is closely aligned with Cox’s analysis. As the report indicates, these recommendations were made “to alleviate potential neutrality concerns.”<sup>7</sup> That is exactly the reason for Cox’s proposals.<sup>8</sup> Thus, the NANC report confirms the wisdom of the Cox approach.

## **II. The IPO**

The NANC report also addresses the proposed NeuStar IPO and, once again, reaches the same conclusions as the Cox comments. The comments noted that it was too soon to consider

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<sup>5</sup> NANC Report and Recommendation on NeuStar’s Petition, May 18, 2004 (the “NANC Report”), at 10-11, 13. It is Cox’s understanding that the NANC Report will be submitted to the Commission in the near future.

<sup>6</sup> *Id.* at 11.

<sup>7</sup> *Id.*

<sup>8</sup> Cox Comments at 2-3.

the IPO because NeuStar had provided little information and no specifics about how it would be conducted.<sup>9</sup>

The NANC report agrees. It says that the Commission should “require NeuStar to provide additional clarification on the specifics of the IPO and the transition plan related to the transfer of the voting trust to the shareholders of NeuStar to ensure that no aspects of neutrality are placed in jeopardy” before approving the IPO.<sup>10</sup>

Moreover, providing additional information would be consistent with the practice of other Commission-regulated entities, which do not seek Commission approval until the details of their IPOs are known and can be disclosed.<sup>11</sup> Consequently, the Commission should not give NeuStar authority to conduct an IPO until such time as it provides more specific information on how the IPO will be conducted.

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<sup>9</sup> Cox Comments at 11

<sup>10</sup> NANC Report at 11

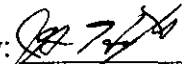
<sup>11</sup> See, e.g., “Domestic Section 214 Application Filed for Transfer of Control of Fairpoint Communications, Inc.,” *Public Notice*, WC Docket No. 04-149, DA No. 04-1076, rel. Apr. 22, 2004 (describing proposed IPO, including percentage of shares that will be held after IPO by current and new shareholders).

**III. Conclusion**

For all these reasons, Cox Communications, Inc. respectfully requests that the Commission adopt an order that is consistent with these comments.

Respectfully submitted,

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May 24, 2004

## CERTIFICATE OF SERVICE

I, Vicki Lynne Lyttle, a legal secretary at Dow, Lohnes & Albertson, PLLC do hereby certify that on this 24th day of May, 2004, copies of the foregoing Reply Comments of Cox Communications, Inc. were served by hand-delivery to the following:

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